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## PRESS RELEASE

### **MAYOR ANNOUNCES KEY KROLL REMEDIATION ACCOMPLISHMENT INDEPENDENT CONSULTANT/MONITOR SELECTED**

*Boston attorney Stanley Keller, a partner in the nationally recognized public finance firm Edwards Angell Palmer & Dodge, selected to oversee monitoring*

Mayor Jerry Sanders today announced a major step in the City's move toward fiscal responsibility and its return to the bond market by selecting Boston attorney Stanley Keller, and the law firm at which his is a partner, Edwards Angell Palmer & Dodge LLP, to head up the independent consulting services which will monitor the City's finances. Keller's—and the firm's—selection is part of a three-year contract, not to exceed \$4 million, for monitoring services through March 1, 2010, which the City Council will consider at their regularly scheduled meeting this Tuesday.

The hiring of an independent consultant/monitor is a requirement of a November 14, 2006, Securities and Exchange Commission (SEC) Cease-and-Desist Order which was filed against the City pursuant to investigations into the City's bond disclosure practices. It is also one of the major remediation measures—all of which are being pursued by the Mayor—recommended in the Report of the Audit Committee prepared by Kroll and Willkie Farr & Gallagher LLP (Kroll Report) dated August 8, 2006.

The contract details the work which, pursuant to the SEC order and the Kroll remediation oversight, the monitor is required to do, including the following:

- Review and make recommendations regarding the City's policies, procedures and internal controls with respect to disclosures made in bond offerings, financial statements, and rating agency presentations; to review and make recommendations regarding the hiring of internal and external personnel for disclosure functions; and to review and make recommendations for training provided to City personnel, including

the offices of the Mayor, City Council Members, City Attorney, and Auditor & Comptroller.

- Make recommendations concerning these policies, procedures and internal controls with a view to assuring compliance with disclosure obligations.
- In years 2 and 3, assess whether the City is complying with its policies, procedures and internal controls, whether the City has adopted any of the Monitor's recommendations from prior years and whether such recommendations were effective.
- Within 120 days after the date of engagement, issue a report describing the review performed and the conclusions reached and include any recommendations deemed necessary to make the policies, procedures and internal controls adequate and address the deficiencies identified in Section III.D. of the SEC Order. Similar reports will be required to be issued within 60 days of the anniversary of the engagement in years two and three. These reports will be presented to both the City and the SEC.
- The firm shall also provide such other review, consultation and advice regarding the City's internal policies, procedures and internal controls as the City shall require from time to time, including but not limited to, a review and assessment of the remedial measures recommended by Kroll Inc., in its report dated August 8, 2006, entitled "Investigation Into the San Diego Employees' Retirement System and the City of San Diego Sewer Rate Structure," including but not limited to oversight on the City's effort to adopt Kroll remediation measures and provide reports as requested on the City's progress; review the City's reports to Council regarding Kroll remediation and, as requested, to make recommendations to the Mayor and Council as to the Kroll remediation measures.

Based on the Kroll Report recommendation, the Mayor's Office began initial interviews with potential candidates in September of 2006. Members of the City Council, the City Attorney's Office and the Independent Budget Analyst participated in this process. More than 15 candidates were reviewed and four candidates, each of whom the City believed would be acceptable to the SEC, received personal interviews.

As a result of this interview process, the Mayor has selected Keller, a nationally recognized corporate and securities lawyer who was actively involved in bringing his securities and disclosure expertise to his firm's extensive public finance practice, representing such governmental issuers as the Commonwealth of Massachusetts, the City of Boston, and the Massachusetts Municipal Wholesale Electric Company. His resume offers an extensive background in public and private securities offerings and other corporate financings; advising publicly traded companies on compliance with SEC rules, public disclosure requirements and best practices, the Sarbanes-Oxley Act, and other securities laws and stock exchange requirements; mergers and acquisitions; and corporate governance, including advising on best practices, addressing institutional/stockholder activism, and acting as special counsel to boards of directors and their committees.

Edwards Angell, Palmer & Dodge is one of the nation's largest law firms, and its reputation as one of the leading bond counsel firms in the nation was achieved through more than a century's worth of involvement in the law of public borrowing and the federal tax aspects of public debt obligations. According to the firm's Public Finance Practices Overview, they are the largest bond counsel practice in New England, and in 2005 were ranked first among Massachusetts-based law firms and 13<sup>th</sup> among all bond counsel firms nationwide by Thomson Financial. In each of the past five years the firm has participated—as bond counsel, underwriters' counsel, disclosure counsel or special tax counsel—in thousands of separate issues of tax-exempt bonds and notes with aggregate principal amounts averaging over \$7.5 billion annually. They have acted as bond counsel to the states of New Hampshire, Maine and Vermont, as well as the Commonwealth of Massachusetts.

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## Stanley Keller

Partner

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Stanley Keller is a nationally recognized corporate and securities lawyer. During his many years of practice, Stan has advised clients ranging from emerging companies to industry leaders, such as TECO Energy, Parametric Technology, Lamar Advertising, Helix Technology and Genzyme. While his practice has encompassed most areas of corporate and securities laws, Stan has focused on:

- public and private securities offerings and other corporate financings
- advising publicly traded companies on compliance with SEC rules, public disclosure requirements and best practices, the Sarbanes-Oxley Act and other securities laws and stock exchange requirements
- mergers and acquisitions
- corporate governance, including advising on best practices, addressing institutional/stockholder activism, and acting as special counsel to boards of directors and their committees

In the past, Stan was actively involved in bringing his securities and disclosure expertise to the firm's extensive public finance practice, representing such governmental issuers as the Commonwealth of Massachusetts, the City of Boston and the Massachusetts Municipal Wholesale Electric Company.

In addition to his client work, Stan has had an active role in the development of corporate and securities laws through leadership positions in the American Bar Association (ABA) and other professional organizations, and through his writings and frequent speaking engagements:

- Stan chaired the ABA's Committee on Federal Regulation of Securities during the height of the Sarbanes-Oxley era, and in that capacity had responsibility for interacting on behalf of the private bar with the SEC, other governmental officials and the stock exchanges.
- Stan is co-chair of the Task Force that drafted the new Massachusetts Business Corporation Law, and chaired the Boston Bar Association's Business Law Section and Corporation Law Committee.
- Stan, as a member of the TriBar Opinion Committee, was the reporter for the Committee's recent Remedies Opinion Report.

- Stan lectures widely for continuing legal education organizations, and has written and edited many articles and treatises on corporate and securities law matters, including recently serving as the co-chair of the Practice Law Institute's (PLI) Understanding the New Securities Offering Reform Rules.
- Stan, as chair of the National Association of Bond Lawyers, played a leading role in the development of its "Disclosure Roles of Counsel in State and Local Government Securities Offerings" handbook.

### **Other Distinctions**

- For over a decade, Stan has been included in the nationally recognized Best Lawyers in America for the categories of Corporate Law and Corporate Governance and Compliance Law
- Listed as leading lawyer in his field by Chambers USA: America's Leading Lawyers for Business
- Listed among the world's leading corporate Governance and Capital Markets lawyers by Euromoney Legal Media Group
- Recognized in the November 2004, 2005 and 2006 editions of Boston Magazine as a "Massachusetts Super Lawyer" in securities and corporate finance
- Member of the ABA Task Force on Attorney-Client Privilege
- Special adviser to the ABA Task Force on Corporate Responsibility
- Special adviser and reporter to the ABA Task Force on SEC Attorney Conduct Rules
- Chair, ABA Ad Hoc Committee on Audit Responses

### **Education**

Harvard Law School, LL.B. (*magna cum laude*)

Columbia University, B.A.

### **Bar Admissions**

Massachusetts

### **Recent Speaking Engagements and Publications**

#### ***Selected Programs***

- Thompson Annual Proxy Statement and Annual Reporting Conference, December 6, 2005

- PLI Annual Securities Law Institute, November 4, 2005
- New England School of Law Program on Director Responsibility under the New Massachusetts Business Corporation Act, November 1, 2005
- MBA Program on Corporate Law Developments, October 20, 2005
- AON Conference on Loss Prevention, October 19, 2005
- ALI/ABA Sarbanes Oxley Institute, October 6, 2005
- MCLE Business and Securities Law Conference, September 28, 2005
- Understanding the New Securities Offering Rules, PLI, Co-Chair, August 2005
- ALI/ABA Postgraduate Securities Course, Chair, July 7-9, 2005
- Thompson/Glasser, SEC Hot Topics, May 23, 2005
- PLI What Lawyers Need to Know about Delaware Law, May 11, 2005
- Florida Directors' Institute (panel moderator), March 18, 2005
- ABA-CLE Understanding the New 8-K Reporting Requirements (program moderator), March 16, 2005
- SIA Capital Markets Conference (participant), March 3, 2005
- 23rd Annual Institute on Federal Securities (panel moderator), February 17-18, 2005
- ABA-CLE Audit Response Letters in the New Environment (program chair), January 27, 2005
- 32nd Annual Securities Regulation Institute (panel moderator), January 19-21, 2005
- 26th Annual Institute on Critical Corporate, Disclosure and Governance Issues and the Proxy Process (participant), December 9-10, 2004
- PLI 36th Annual Institute on Securities Regulation (participant), November 11-13, 2004
- ALI-ABA 31st Annual Postgraduate Course in Federal Securities Law (panel moderator), August 26-28, 2004
- SEC "Hot Topics" Institute, Spring 2004 (participant), June 7, 2004
- The New Disclosure & Corporate Governance Regime – What Every Corporate & Securities Lawyer Must Know Now, PLI, Chair, October 2002

- Disclosure and Other Lessons Learned After Enron – What You Need to Know Now to File Your 10-K and Other Forms, PLI, Chair, March 2002

### *Books*

- Co-Editor, The Practitioner's Guide to the Sarbanes-Oxley Act, published by the ABA (2004)
- Co-Author, Massachusetts Limited Liability Company Forms and Practice Manual, published by Data Trace Publishing Co. (1996)
- Co-Editor, International Securities Law Handbooks, published by Graham & Trotman Limited (1995)
- Editor, Massachusetts Business Lawyers, a three-volume treatise published by MCLE (1991)

### *Selected Articles*

- "A Streamlined Form of Closing Opinion," co-author, Boston Bar Journal, January/February 2006.
- "Searching Google for Meaning: Equity Compensation Pitfalls and a Changed Climate for Lawyer Responsibility," *INSIGHTS*, August 2005.
- "The Meaning of the Titan 21(a) Report. New Disclosure Practices for Contractual Representations," *INSIGHTS*, June 2005.
- "The New Form 8-K Disclosure Requirements: Q&As," ABA The Securities Reporter, Volume 10, Issue 1, Spring 2005.
- "SEC Municipal Securities Disclosure Initiatives," *INSIGHTS*, May 1994
- "SEC Regulation of Municipal Disclosure," *INSIGHTS*, November 1989

# EDWARDS ANGELL PALMER & DODGE LLP

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## PUBLIC FINANCE PRACTICE OVERVIEW

Edwards Angell Palmer & Dodge is one of the nation's largest law firms, with more than 520 attorneys located in nine offices in seven states. The Firm is the result of the November 1, 2005 merger of Palmer and Dodge LLP and Edwards & Angell, LLP, two century-old full-service law firms, and offers the services of a premier, nationally recognized bond counsel practice.

The Firm's Public Finance Department, comprised of 26 attorneys and 4 paralegals specializing exclusively in public finance matters, is a nationally recognized public finance practice. Our reputation as one of the leading bond counsel firms in the nation has grown through more than a century of involvement in the law of public borrowing and the federal tax aspects of public debt obligations.

The Firm has the largest bond counsel practice in New England and is consistently ranked among the top 20 bond counsel firms in the nation. According to Thomson Financial, in 2005 the Firm was ranked first among Massachusetts-based law firms and thirteenth among all bond counsel firms in the country. In each of the past five years, the Firm has participated (as either bond counsel, underwriters' counsel, disclosure counsel or special tax counsel) in thousands of separate issues of tax-exempt bonds and notes with aggregate principal amounts averaging over \$7.5 billion annually.

The Firm's public finance practice encompasses the full range of tax-exempt financings and other financings for public entities, including:

- Bond counsel to the States of New Hampshire, Maine and Vermont and The Commonwealth of Massachusetts.
- Bond counsel to public authorities throughout the country, including the Business Finance Authority of the State of New Hampshire, the Finance Authority of Maine, the Jacksonville Electric Authority, the Massachusetts Development Finance Agency, the Massachusetts Health and Educational Facilities Authority, the Massachusetts Housing Finance Agency, the Memphis and Shelby County Sports Authority, the Okeechobee Utilities Authority, the Port of Palm Beach, the Rhode Island Health and Educational Building Corporation, the South Florida Water Management District, the Solid Waste Authority of Palm Beach County, the Vermont Economic Development Authority and the West Palm Beach Housing Authority.
- Bond counsel to more than 300 cities, counties, towns, and districts, including the cities of Boston and Springfield, Massachusetts; Burlington, Vermont; Hillsborough County, Palm Beach, Punta Gorda and Lake Worth, Florida; Portsmouth and Concord, New Hampshire; Lewiston, Maine and Shelby County, Tennessee.
- Disclosure Counsel to the City of New York, Miami-Dade County, Florida, the Massachusetts Port Authority, the Massachusetts Water Resources Authority, and Shelby County, Tennessee.



## EDWARDS ANGELL PALMER & DODGE LLP

- Counsel to underwriters, liquidity providers or swap providers in numerous transactions in Massachusetts, Rhode Island, Connecticut, Vermont, Florida, Pennsylvania, Oklahoma, Arkansas and Wisconsin.
- General Program Counsel and large-issuer Bond Counsel to the Massachusetts Water Pollution Abatement Trust, for the purpose of financing the state revolving fund for water and wastewater facilities.
- Special Tax Counsel to the Orlando-Orange County Expressway Authority and the Greater Orlando Aviation Authority
- Bond and Borrower's Counsel for colleges, universities, hospitals, museums, and other non-profit institutions and for commercial, industrial and sports facilities issued through public agencies.
- Company Counsel and Bond Counsel in complex transactions related to electric utility deregulation and restructuring.
- Bond Counsel in numerous derivative hedging transactions.

We maintain up-to-date knowledge of complicated financing techniques increasingly being used in the field. We have been in the forefront of such financing innovations as tax-exempt commercial paper, variable rate demand bonds, convertible option bonds, multi-modal bonds, auction tender bonds, residual interest bonds, deep discount and zero coupon financings, sale and leaseback transactions, letter of credit-backed bonds, certificates of participation, interest rate swaps and other derivative debt instruments, combined taxable and tax-exempt financings, so-called pool financings, the simultaneous issuance of senior and subordinated debt, tax-exempt leases and new forms of bond insurance and credit enhancement.

We have significant experience with respect to the development and implementation of the 1995 amendments to SEC Rule 15c2-12 regarding continuing disclosure. Neil Arkuss, as President of National Association of Bond Lawyers (NABL) from 1993 to 1994, participated in the development of the SEC's policy regarding secondary market disclosure. Walter St. Onge, the President of NABL from 2005 to 2006, has represented NABL on the so-called "Muni Council," a consortium of municipal market participants that has worked in recent years to address various matters relating to disclosure practices. The creation of the "central post office" for filing continuing disclosure material was spearheaded by the Muni Council. Mr. St. Onge has been part of the industry efforts to expand the use of the central post office, and, as part of his work with NABL, to address various disclosure matters relating to municipal issuers.

In addition to general obligation offerings for states and local governments, we specialize in sophisticated asset and revenue-backed issues to finance affordable housing, water and wastewater projects, convention and sports facilities, highway, rail and air transportation projects

and other public infrastructure needs, and in conduit transactions for health care institutions, schools and colleges and other qualifying institutions and businesses seeking publicly-assisted debt financing. The Firm also regularly represents investment bankers, banks and other financial institutions as underwriters or purchasers of public securities on a variety of complex transactions.

The Firm has extensive experience with variable rate bond financings and inter-modal conversions for numerous issuers and conduit borrowers, utilizing the multi-modal structures of various underwriters. The Firm has also worked extensively with credit enhancement in the form of bond insurance, direct-pay letters of credit, confirming letters of credit, standby bond purchase agreement liquidity facilities and combined bond insurance/liquidity facility transactions.

Additional information regarding the Firm can be found on our web page at [www.eapdlaw.com](http://www.eapdlaw.com).

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